



House Bill 5881(H-5) School Aid Appropriations for Fiscal Years 2001-02, 2002-03, and 2003-04

Foundation Allowances and the Equity Payment

- FY 2002 Basic Foundation Allowance = \$6,300
- FY 2002 Equity Payment = \$200 per pupil
- FY 2003 Basic Foundation Allowance = \$6,700
- FY 2004 Basic Foundation Allowance = \$6,700

Appropriations for FY 2002, FY 2003, and FY 2004

- Maintains all FY 2002 and FY 2003 appropriations at the same levels as current law.
- Starting in FY 2003 appropriates \$15 million on a per pupil basis to the Detroit school district as long as the district is operated under a reform board.
- Creates new FY 2004 appropriations, which are at the same level as FY 2003. (The only exceptions are two one-time appropriations that are not continued to FY 2004.)

Boilerplate

- Retains current law for FY 2002 and FY 2003 boilerplate.
- Adds the Upper Peninsula school districts as qualifying for declining enrollment grants for FY 2003 only.
- Creates new FY 2004 boilerplate, which is the same as FY 2003 boilerplate.
- Makes all FY 2004 appropriations contingent upon enactment of a 50-cent per-pack increase in the cigarette tax, with 20 cents earmarked for the School Aid Fund.
- Repeals Section 1713 of Enrolled Senate Bill 1101 the Department of Community Health budget.